

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11 Case No.  
LEHMAN BROTHERS HOLDINGS INC., *et al.*, : 08-13555 (JMP)  
Debtors. : (Jointly Administered)  
:  
:  
-----X

**AFFIDAVIT AND DISCLOSURE STATEMENT OF REDGE A. MARTIN ON BEHALF  
OF C.R. MARTIN AUCTIONEERS, INC. DBA HARVEY CLARS ESTATE AUCTION  
GALLERY**

STATE OF CALIFORNIA )  
 ) ss:  
COUNTY OF ALAMEDA )

Redge A. Martin, being duly sworn, upon his oath, deposes and says:

1. I am a President of C.R Martin Auctioneers, Inc dba Harvey Clars Estate Auction Gallery, located at 5644 Telegraph Ave., Oakland, CA (the "Firm").

2. Lehman Brothers Holdings Inc. ("LBHI") and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (together, the "Debtors" and, collectively with their non-debtor affiliates, "Lehman"), have requested that the Firm provide appraisal and auctioneering services to the Debtors, and the Firm has consented to provide such services.

3. I submit this Affidavit in accordance with the procedures set forth in the order entered November 5, 2008 authorizing the Debtors to employ professionals utilized in the ordinary course of business [Docket No. 1394] in connection with the Firm's engagement with the Debtors, pursuant to sections 105(a), 327(a), 328, 330 and 504 of title 11 of the United States Code, 11 U.S.C. § 101 *et seq.*

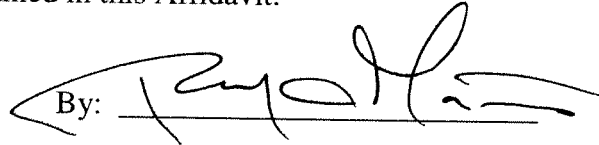
4. The Firm may have performed services in the past and may perform services in the future, in matters unrelated to these chapter 11 cases, for persons that are parties in interest in the Debtors' chapter 11 cases. As part of its customary practice, the Firm is retained in cases, proceedings, and transactions involving many different parties, some of whom may represent or be claimants or employees of the Debtors, or other parties in interest in these chapter 11 cases. The Firm does not perform services for any such person in connection with these chapter 11 cases. In addition, the Firm does not have any relationship with any such person, their attorneys, or accountants that would be adverse to the Debtors or their estates.

5. Neither I, nor any principal of, or professional employed by the Firm has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than the principals and regular employees of the Firm.

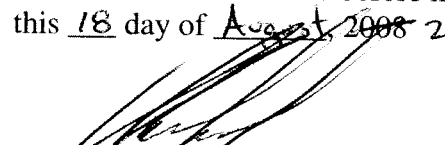
6. Neither I, nor any principal of, or professional employed by the Firm, insofar as I have been able to ascertain, holds or represents any interest adverse to the Debtors or their estates.

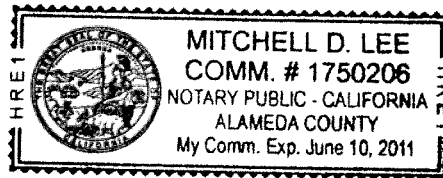
7. The Debtors owe the Firm zero for prepetition services.

8. The Firm is conducting further inquiries regarding its retention by any creditors of the Debtors, and upon conclusion of that inquiry, or at any time during the period of its employment, if the Firm should discover any facts bearing on the matters described herein, the Firm will supplement the information contained in this Affidavit.<sup>1</sup>

By: 

Subscribed and sworn to before me  
this 18 day of August, ~~2008~~ 2009

  
Notary Public



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<sup>1</sup> If necessary.

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: (Jointly Administered)  
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RETENTION QUESTIONNAIRE

TO BE COMPLETED BY PROFESSIONALS EMPLOYED BY LEHMAN  
BROTHERS HOLDINGS INC. OR ANY OF ITS DEBTOR AFFILIATES (collectively,  
the "Debtors")

DO NOT FILE THIS QUESTIONNAIRE WITH THE COURT.  
RETURN IT FOR FILING BY THE DEBTORS. TO:

Weil, Gotshal & Manges LLP  
767 Fifth Avenue  
New York, New York 10153  
Attn: Jennifer Sapp  
Christopher Stauble

All questions **must** be answered. Please use "none," "not applicable," or "N/A," as  
appropriate. If more space is needed, please complete on a separate page and attach.

1. Name and address of firm:

C.R Martin Auctioneers, Inc dba Harvey Clars Estate Auction Gallery\_\_\_\_  
5644 Telegraph Ave., Oakland, CA 94609  
\_\_\_\_\_  
\_\_\_\_\_

2. Date of retention: 8/14/2009

3. Type of services provided (accounting, legal, etc.):

auctioneering

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4. Brief description of services to be provided:

Firm will pick up property from Lehman's San Francisco offices and bring  
to its gallery in Oakland. Firm will then catalog and offer the property for  
sale at auction to the highest bidder.

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5. Arrangements for compensation (hourly, contingent, etc.)

Per the signed contract

1. **COMPENSATION:** For Clars' services in selling your personal property at auction Clars will be entitled to retain from the proceeds as its compensation an amount based upon the final bid price of each item sold and calculated as follows:

- (a) Ten percent (10%) of individual auction items selling at \$7001 and above
- (b) Fifteen percent (15%) of individual auction items selling at \$3501 thru \$7000
- (c) Twenty percent (20%) of individual auction items selling at \$1001 thru \$3500
- (d) Twenty-five percent (25%) of individual auction items selling at \$101 thru \$1000
- (e) Thirty-nine percent (39%) of individual auction items selling at any amount thru \$100
- (f) Insurance: 1.5% of the final bid price of each item sold or the appraised (or reserved) value of any unsold items that are returned to the consignor

This commission includes all normal expenses of sale except for transportation and packing charges as set forth in paragraph 5 below. In addition, a premium of seventeen percent (twenty percent for internet buyers) of each individual auction lot shall be added to the purchase price and paid by the buyer as a part of the purchase price. This sum shall also be collected and retained by Clars as additional compensation to Clars. You are responsible for any artist royalties that may arise.

5. **PACKING AND TRANSPORTATION:** Clars will undertake the packing and transportation of the personal property at your expense. The charge for these services is \$575. Clars' charges for packing and transportation will be deducted from the proceeds of the sale.

(a) Average hourly rate (if applicable):

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(b) Estimated average monthly compensation based on prepetition retention (if firm was employed prepetition):

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6. Prepetition claims against the Debtors held by the firm:

Amount of claim: \$0

Date claim arose: \_\_\_\_\_

Source of Claim: \_\_\_\_\_

7. Prepetition claims against the Debtors held individually by any member, associate, or professional employee of the firm:

Name: \_\_\_\_\_

Status: \_\_\_\_\_

Amount of Claim: \$0

Date claim arose: \_\_\_\_\_

Source of claim: \_\_\_\_\_

8. Stock of the Debtors currently held by the firm:

Kind of shares: n/a

No. of shares: 0

9. Stock of the Debtors currently held individually by any member, associate, or professional employee of the firm:

Name: n/a

Status: \_\_\_\_\_

Kind of shares: \_\_\_\_\_

No. of shares: 0

10. Disclose the nature and provide a brief description of any interest adverse to the Debtors or to their estates with respect to the matters on which the above-named firm is to be employed.

**NOTE**

11. Name of individual completing this form:

Redge A. Martin, President